

MINUTES OF MEETING
OF
SANITARY AND IMPROVEMENT DISTRICT NO. 1
OF CASS COUNTY, NEBRASKA

A meeting of the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, was convened in open and public session at 11:00 a.m. on the 23rd day of December, 2020, and to be held at 10250 Regency Circle, Suite 300, Omaha, Nebraska.

Present: Peggy L. Lawton, Jon Meyers, Wayne Breyfogle, and Scott Pekarek. Also, in attendance were Mark J. LaPuzza, attorney for the District, Kraig Thelen, Ed Hobza of Thompson, Dreessen & Dorner, Inc., and Jim Noerrlinger.

Absent: Matt Burnham.

Notice of the meeting was given in advance thereof by publication in The Plattsmouth Journal on November 17, 2020, a copy of the proof of publication being attached to these minutes. Notice of this meeting was simultaneously given to all members of the Board of Trustees, and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the published notice and in the notice to the Trustees of this meeting. All proceedings of the Board were taken while the convened meeting was open to the attendance of the public. The agenda was at all times available at the office for the District at Regency Center, Suite 300, 10250 Regency Circle, Omaha, Nebraska 68114.

The attorney for the District noted that the meeting was being conducted with one or more individuals participating telephonically pursuant to Executive Orders 20-36 of the Governor of the State of Nebraska, Pete Ricketts. The option to participate in the meeting telephonically was provided to all individuals requesting such information and was posted at the published location of the meeting at least one hour prior to the commencement of the meeting. It was confirmed at the outset of the meeting that all telephone participants could hear and be heard by those in physical attendance and those participating telephonically.

It was first publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy in the room where the meeting was being held.

The Chairman next presented the proof of publication of the Notice to Contractors for the construction of the improvements entitled Levee Expansion Site Demolition (Lake Wa-Con-Da).

The Clerk then presented the list of bids and bidders for such work specified within the Notice to Contractors with such bids having been taken on December 17, 2020, in accordance with the provisions of such Notice to Contractors. The bids having been individually reviewed by Thompson, Dreessen & Dorner, Inc., the District's engineers, and upon completion of such review, the engineers have submitted their Letter of Recommendation which the Clerk was directed to attach along with a copy of the bid tabulations to these minutes.

After the Trustees had received the Letter of Recommendation directed to the District, the Clerk reported that the recommendation of the engineers was the bid of CDS Enterprise for Levee Expansion Site Demolition (Lake Wa-Con-Da), in the amount of Ninety-Four Thousand Three Hundred and no/100 Dollars

(\$94,300.00) and that such amount be accepted. The Clerk reminded the Board that the Engineer's estimate of the construction cost of this project was One Hundred Fifty-Five Thousand Two Hundred Seventy-Five and no/100 Dollars (\$155,275.00). The District's engineers then indicated that it was their opinion that the rebidding of such project would yield no more beneficial pricing to the District than that presented by the previously specified bid and again recommended acceptance of such bid. The Clerk further reported that the bid of CDS Enterprise was accompanied by the required bid bond, contract and maintenance bond in the amount of 100% of the contract price.

After considerable discussion by the Board, the following resolution was duly moved and seconded upon a roll call vote of the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle, and Scott Pekarek voted "Aye" with none voting "Nay" thereby adopting the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the bid of CDS Enterprise in the total amount of Ninety-Four Thousand Three Hundred and no/100 Dollars (\$94,300.00) for the construction of Levee Expansion Site Demolition (Lake Wa-Con-Da) be accepted and approved and that the Clerk and Chairman of the District be and they hereby are authorized and directed to execute the contract of CDS Enterprise for and on behalf of the District.

There was next presented correspondence from D.A. Davidson & Co., the District's fiscal agent, indicating that Wilbur Ellis, had lost, misplaced or mishandled General Fund Warrant No. 5550. Also presented was the Indemnity Agreement of such warrant holder as an inducement to reissue such warrant as a "R" warrant. Upon discussion of this matter, the following resolution was duly made and seconded, whereupon a roll call vote was taken during which the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle and Scott Pekarek voted "Aye," with none voting "Nay," thereby approving the following resolution:

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that General Fund Warrant No. 5550 assigned to Wilbur Ellis, be hereby canceled.

FURTHER RESOLVED, that the Clerk of the District be and hereby is authorized to notify the Cass County Treasurer of such cancellation so that such warrant may be reflected on his records as well as noting such cancellations on the records of the District.

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that General Fund Warrant No. 5550, payable to Wilbur Ellis be and hereby are replaced with General Fund Warrant No. 5550 "R".

FURTHER RESOLVED, that the Clerk of the District be and hereby is authorized to notify the Cass County Treasurer of such cancellation so that such warrant may be reflected on his records as well as noting such cancellations on the records of the District.

1. Sanitary and Improvement District No. 1 of Cass County, Nebraska ("SID No. 1") hereby finds and determines that it has an outstanding warrant which have been lost/misplaced or destroyed; this warrant being General Fund Warrant No. 5550, in the amount of \$1,342.88, which had previously been issued and was to be paid to Wilbur Ellis. This warrant has been lost in the mail, misplaced or destroyed and

that it is necessary for a replacement of the warrant to be issued. Said replacement warrant is to be issued for the same principal amount and at the same rate of interest as the original warrants. This replacement warrant is to be issued with a letter "R" affixed after the warrant number. Said replacement warrant is to be re-registered by D.A. Davidson & Co. after proper documentation has been provided to include an affidavit evidencing the loss of said warrant and a satisfactory indemnification for any loss, liability, damage, or expense which the District, or the Cass County Treasurer may incur if said original warrant is later presented for payment and paid.

2. That satisfactory evidence of loss or misplacement or destruction of the aforesaid warrant and adequate indemnification agreement are to be delivered to D.A. Davidson & Co. and the Treasurer of Cass County, Nebraska as ex-officio Treasurer of the District and that the Cass County Treasurer be and hereby is authorized, instructed and directed to make payment of the amount due on said replacement Warrant No. 5550"R" in lieu of the presentation of original Warrant No. 5550.

The Board was next presented with consideration of its outstanding bills and invoices.

The Board was next reminded that in accordance with the resolution of necessity adopted on December 3, 2020, concerning the SID #1 Property Acquisition (Lake Wa-Con-Da), the District is to pay TitleCore National, LLC, for the purchase of the property owned by Emil and Karen Vollman, 2470 East Lake Drive (Lot 214), Lake Wa-Con-Da in Cass County, Union, Nebraska, in the sum of Three Hundred Fourteen Thousand Six Hundred Four and 69/100 Dollars (\$314,604.69).

The Board was next reminded that in accordance with the resolution of necessity adopted on December 3, 2020, concerning the SID #1 Property Acquisition (Lake Wa-Con-Da), the District is to pay TitleCore National, LLC, for the purchase of the property owned by Brad Allen Kothenbeutel, 4120 Bullfrog Bay (East Half of Lot 225 and All of Lot 226), Lake Wa-Con-Da in Cass County, Union, Nebraska, in the sum of Four Hundred Sixty-Five Thousand Eight Hundred Forty-Eight and 81/100 Dollars (\$465,848.81).

There was next presented a statement from Kraig J. Thelen, for services rendered in connection with Federal Disaster DR 4420 NE, Statement dated November 2020, in the amount of Five Hundred Eighty-Nine and no/100 Dollars (\$589.00).

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in connection with the USACE Levee Project, Invoice #141325, in the amount of Six Thousand Eight Hundred Sixty-Five and no/100 Dollars (\$6,865.00).

The Clerk next directed the attention of the Board of Trustees to the fact that D.A. Davidson & Co. will purchase Seven Hundred Eighty Thousand Four Hundred Fifty-Three and 50/100 Dollars (\$780,453.50) in warrants at this time and that the contracted charge for such purchase of warrants is two percent (2%) or Fifteen Thousand Six Hundred Nine and 07/100 Dollars (\$15,609.07) in accordance with the financing agreement previously adopted by the Board. The Chairman recommended the issuance of a warrant for such amount to D.A. Davidson & Co.

There was next presented a statement of Summary Account #5843000090 from Omaha Public Power District, for street lights and other electrical services, Statement dated December 3, 2020, in the amount of One Thousand Eight Hundred Sixty-Four and 02/100 Dollars (\$1,864.02).

There was next presented a statement from One Call Concepts, Inc., for line locates within the District, Invoice #0110554, in the amount of Seventy-Seven Cents (\$0.77). **The Board was next reminded that his has credit balance in the amount of Eighty-Six and 04/100 Dollars (\$86.04), so no payment is due at this time.**

There was next presented a statement from Thompson, Dreessen & Dorner, Inc., engineers for the District, for services rendered in miscellaneous District maintenance matters through December 15, 2020, Invoice #141324, in the amount of One Thousand Five Hundred Sixty-Eight and no/100 Dollars (\$1,568.00).

There were next presented statements from Pansing Hogan Ernst & Bachman LLP, attorneys for the District, for legal services performed through November 30, 2020, as follows: (i) Miscellaneous District matters, in the amount of Three Thousand Nine Hundred Eighty-Six and 47/100 Dollars (\$3,986.47), (ii) March 2019 Flood, in the amount of One Hundred Sixty-Five and no/100 Dollars (\$165.00), and (iii) 2020 Condemnation Matters, in the amount of Five Thousand Eight Hundred Eight and 08/100 Dollars (\$5,808.08); said statements being in the aggregate amount of Nine Thousand Nine Hundred Fifty-Nine and 55/100 Dollars (\$9,959.55).

There was next presented correspondence from Jim Noerrlinger, presenting and requesting payment in favor of Lake Waconda Association, for miscellaneous expense, as follows: (i) Supreme Builders, LLC, for new gutters on the caretakers house, Invoice dated December 1, 2020, in the amount of One Thousand Two Hundred Forty-Five and no/100 Dollars (\$1,245.00), and (ii) Supreme Builders, LLC, down payment to order generator shelter materials, in the amount of Five Thousand Two Hundred Ninety-Three and 89/100 Dollars (\$5,293.89); said statements being in the aggregate amount of Six Thousand Five Hundred Thirty-Eight and 89/100 Dollars (\$6,538.89).

The previously described bills, invoices, recommendations and statements having been presented for the Board's consideration and after review and discussion of such items, the following resolution was duly moved and passed on a **5-0** vote.

RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 5758 through 5841, of the District, dated the date of this meeting, to the following payees and in the following amount, said Warrants to be drawn on the **BOND** Fund of the District and to draw interest at the rate of five percent (5%) per annum (interest to be payable on February 10 of each year) and to be redeemed no later than December 23, 2025, subject to extension of said maturity date by order of the District Court of Cass County, Nebraska, after notice is given as required by law, to-wit:

Warrant Nos. 5758 through 5788, each in the amount of Ten Thousand and no/100 Dollars (\$10,000.00), and Warrant No. 5789, for the amount of Four Thousand Six Hundred Four and 69/100 Dollars (\$4,604.69), payable to TitleCore National, LLC. **{Lot 214 - 2470 East Lake Drive}**

Warrant Nos. 5790 through 5835, each for the amount of Ten Thousand and no/100 Dollars (\$10,000.00), and Warrant No. 5836, for the amount of Five Thousand Eight Hundred Forty-Eight and 81/100 Dollars (\$5,848.81), payable to TitleCore National, LLC. **{East Half of Lot 225 and All of Lot 226 – 4120 Bullfrog Bay}**

Warrant No. 5837, for the amount of Five Hundred Eighty-Nine and no/100 Dollars (\$589.00), payable to Kraig J. Thelen.

Warrant No. 5838, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5839, for the amount of One Thousand Eight Hundred Sixty-Five and no/100 Dollars (\$1,865.00), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 5840, for the amount of Ten Thousand and no/100 Dollars (\$10,000.00), and Warrant No. 5841, for the amount of Five Thousand Six Hundred Nine and 07/100 Dollars (\$5,609.07), payable to D.A. Davidson & Co.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the Chairman and Clerk be and they hereby authorized and directed to execute and deliver Warrant Nos. 5842 through 5847, of the District, dated the date of this meeting, to the following payees and in the following amounts, said Warrants to be drawn on the General Fund of the District and to draw interest at the rate of six percent (6%) per annum and to be redeemed no later than December 23, 2023, subject to extension of said maturity date by order of the District Court of Cass County, Nebraska, after notice is given as required by law, to-wit:

Warrant No. 5842, for the amount of One Thousand Eight Hundred Sixty-Four and 02/100 Dollars (\$1,864.02), payable to Omaha Public Power District, Account #5843000090.

Warrant No. 5843, for the amount of One Thousand Five Hundred Sixty-Eight and no/100 Dollars (\$1,568.00), payable to Thompson, Dreessen & Dorner, Inc.

Warrant No. 5844, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5845, for the amount of Four Thousand Nine Hundred Fifty-Nine and 55/100 Dollars (\$4,959.55), payable to Pansing Hogan Ernst & Bachman LLP.

Warrant No. 5846, for the amount of Five Thousand and no/100 Dollars (\$5,000.00), and Warrant No. 5847, for the amount of One Thousand Five Hundred Thirty-Eight and 89/100 Dollars (\$1,538.89), payable to Lake Waconda Association.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that both they and the district hereby find and determine and covenant, warrant and agree as follows: the improvements and/or facilities being financed or refinanced by the above Warrants are for essential governmental functions and are designed to serve members of the general public on an equal basis; all said improvements have from the time of their first acquisition and construction been owned, are owned and are to be owned by the District or another political subdivision; to the extent special assessments have been or are to be levied for any of said improvements, such special assessments have been or are to be levied under Nebraska law as a matter of general application to all property specially benefited by said

improvements in the District; the development of the land in the District is for residential or commercial use and the development of the land in the District for sale and occupation by the general public has proceeded and is proceeding with reasonable speed; other than any incidental use of said improvements by a developer during the initial period of development of said improvements, there have been, are and will be no persons with rights to use such improvements other than as members of the general public; none of the proceeds of said Bonds or any refinanced indebtedness have been or will be loaned to any private person or entity; the District hereby authorizes and directs the Chairperson or Clerk to file or cause to be filed, when due, an information reporting form pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended, pertaining to the above Warrants; and the District does not reasonably expect to sell or otherwise dispose of said improvements and/or facilities, in whole or in part, prior to the last maturity of the above Warrants.

FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that the District hereby covenants, warrants and agrees as follows: (a) to take all actions necessary under current federal law to maintain the tax exempt status (as to taxpayers generally) of interest on the above Warrants; and (b) to the extent that it may lawfully do so, the District hereby designates the above Warrants as its "qualified tax exempt obligations" under Section 265(b)(3)(B)(i)(III) of the Internal Revenue Code of 1986, as amended, and covenants and warrants that the District does not reasonably expect to issue warrants or bonds or other obligations aggregating in the principal amount of more than \$10,000,000 during the calendar year in which the above Warrants are to be issued.

FURTHER RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska, that this and the preceding Resolutions are hereby adopted as the Certificate With Respect to Arbitrage of the District pertaining to the above Warrants and the District and the Chairman and Clerk of the District hereby further certify, as of the date of the registration of the above Warrants with the County Treasurer of Cass County, Nebraska, as follows:

1. No separate reserve or replacement fund has been or will be established with respect to the above Warrants. The District reasonably anticipates that monies in its Bond Fund reasonably attributable to the above Warrants in excess of the lesser of: (a) ten percent (10%) of the net principal proceeds of the above Warrants, (b) the maximum annual debt service due on the above Warrants, or (c) one hundred twenty-five percent (125%) of average annual debt service due on the above Warrants will be expended for payment of principal of and interest on the above Warrants within thirteen (13) months after receipt of such monies. That amount which is currently held in the District's Bond Fund which exceeds the amount which is to be expended for payment of principal and interest on the above Warrants within thirteen (13) months after receipt of such monies, plus that amount arrived at pursuant to the immediately preceding sentence, will not be invested in any securities or any other investment obligations which bear a yield, as computed in accordance with the actuarial method, in excess of the yield on the above Warrants.

2. To the best of their knowledge, information and belief, the above expectations are reasonable.

3. The District has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its bonds.

4. This Certificate is being passed, executed and delivered pursuant to Section 1.148-2(b)(2) of the Income Tax regulations under the Internal Revenue Code of 1986, as amended.

There was next presented a receipt from the Cass County Treasurer representing a deposit to the District's general fund for cash rent from Noerrlinger Farms, Inc., in the amount of Nine Thousand Three Hundred Thirty-Five and no/100 Dollars (\$9,335.00).

There was next presented correspondence from D.A. Davidson & Co., underwriter for the District, requesting that the Board adopt a resolution approving the Offering Circular for Construction Fund Warrants (a copy of which is on file with the Clerk of the District). After full and complete discussion and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle and Scott Pekarek voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

RESOLVED, that the Offering Circular (attached as Exhibit "A") pertaining to the offering by the District from time to time of its construction fund warrants is hereby approved in substantially the form attached. The Chair of the Board of Trustees is authorized and directed to execute the Offering Circular in substantially the form and content as attached and may make such change, modifications, deletions or additions as deemed necessary or appropriate, provided that D.A. Davidson is hereby authorized to make on behalf of the District updates related to a specific offering of construction fund warrants and to the District's financial information and other District information as shall be used by D.A. Davidson as underwriter is hereby authorized and approved. The Offering Circular is deemed final within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"), as amended (except for any one or more of the permitted omissions specified by paragraph (b) of the Rule). The District will enter into a continuing disclosure undertaking at such time as required by the Rule for the benefit of the holders of the District's warrants and such continuing disclosure undertaking will be incorporated into the Offering Circular.

There was next presented correspondence from D.A. Davidson & Co., underwriter for the District, requesting that the Board adopt a resolution approving the Procedures Federal Tax Law and Disclosure Requirements for Outstanding Bonds and Warrants (a copy of which is on file with the Clerk of the District). After full and complete discussion and upon a motion duly made and seconded, and upon the following roll call vote, the Trustees, Peggy L. Lawton, Jon Meyers, Wayne Breyfogle and Scott Pekarek voted "Aye" with none voting "Nay" thereby passing and adopting the following resolution:

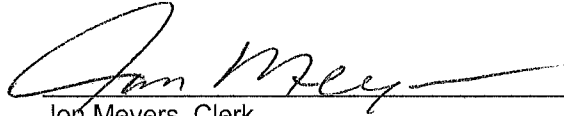
RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 1 of Cass County, Nebraska that the District hereby adopts, approves and confirms the procedures set forth in the attached Procedures for Federal Tax Law and Disclosure Requirements for Outstanding Bonds and Warrants, the purpose of which is to establish

policies and procedures in connection with the issuance of the District's tax exempt bonds and warrants to ensure that (a) interest on its Tax-Exempt Obligations remains exempt from Federal income tax, and (b) compliance with any continuing disclosure obligations of the District with respect to its outstanding Tax-Exempt Obligations. The District reserves the right to change these policies and procedures from time to time, without notice.

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SIGNATURES APPEAR ON THE FOLLOWING PAGE]**

There was next reviewed the Agenda which had been available for public inspection in accordance with the law prior to this meeting of the Board of Trustees and reported that all matters considered by the Board at this meeting appeared on the Agenda.

Jon Meyers, as Clerk for Sanitary and Improvement District No. 1 of Cass County, Nebraska (the "District") does hereby certify that the above proceedings are a true and accurate statement of the proceedings had by the District at its December 23, 2020, meeting.



Jon Meyers, Clerk